

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

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## MEMORANDUM

TO: Maynard Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: June 30, 2017

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY18 (since the amount under the prior schedule was maintained in FY18) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.50% to 7.00%.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

Enc.



Alternative 1  
7.0% Investment Return  
6.0% total increasing through FY34

### Maynard Retirement System January 1, 2017 Actuarial Valuation

Total increasing 6.0% through FY34 with final amortization payment in FY35

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. of UAL</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>% Increase Total Cost</u>
2018	1,226,247	70,000	900,053	2,196,300	17,265,364	
2019	1,281,428	70,000	976,672	2,328,100	17,510,883	6.0%
2020	1,339,093	70,000	1,058,707	2,467,800	17,691,606	6.0%
2021	1,399,352	70,000	1,146,548	2,615,900	17,797,202	6.0%
2022	1,462,323	70,000	1,240,577	2,772,900	17,816,199	6.0%
2023	1,528,127	70,000	1,341,173	2,939,300	17,735,916	6.0%
2024	1,596,893	70,000	1,448,807	3,115,700	17,542,375	6.0%
2025	1,668,753	70,000	1,563,847	3,302,600	17,220,118	6.0%
2026	1,743,847	70,000	1,686,953	3,500,800	16,752,210	6.0%
2027	1,822,320	70,000	1,818,480	3,710,800	16,119,825	6.0%
2028	1,904,325	70,000	1,959,075	3,933,400	15,302,439	6.0%
2029	1,990,019	70,000	2,109,381	4,169,400	14,277,399	6.0%
2030	2,079,570	70,000	2,270,030	4,419,600	13,019,780	6.0%
2031	2,173,151	70,000	2,441,649	4,684,800	11,502,232	6.0%
2032	2,270,942	70,000	2,624,958	4,965,900	9,694,824	6.0%
2033	2,373,135	70,000	2,820,765	5,263,900	7,564,757	6.0%
2034	2,479,926	70,000	3,029,774	5,579,700	5,076,071	6.0%
2035	2,591,523	70,000	2,189,538	4,851,060	2,189,538	-13.1%
2036	2,708,141	70,000		2,778,141	0	-42.7%

Appropriation payments assumed to be made July 1 of each fiscal year

Normal cost assumed to increase 4.5% per year

Assumed expenses of \$365,000

FY17 amount maintained at level of current funding schedule